Form **1040** U.S. Individual Income Tax Return (99) **2017** EXTENSION GRANTED TO 10/15/18

OMB No. 1545-0074 IRS Use Only - Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2017, or other tax year beginning , 2017, ending , 20 See separate instructions.

Your first name and initial	Last name	Your social security number
KEVIN	FAULCONER	[redacted]
If a joint return, spouse's first name and initial	Last name	Spouse's social security number
KATHERINE	STUART	[redacted]

Home address (number and street). If you have a P.O. box, see instructions. Apt. no.

[redacted]

▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below.

[redacted]

Foreign country name | Foreign province/state/county | Foreign postal code

Presidential Election Campaign: Check here if you, or your spouse if filing jointly, want $3 to go to this fund. Checking a box below will not change your tax or refund. ☐ You ☐ Spouse

Filing Status Check only one box.

1 ☐ Single
2 ☒ Married filing jointly (even if only one had income)
3 ☐ Married filing separately. Enter spouse's SSN above and full name here. ▶
4 ☐ Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter this child's name here. ▶
5 ☐ Qualifying widow(er) (see instructions)

Exemptions

6a ☒ **Yourself.** If someone can claim you as a dependent, do not check box 6a
b ☒ **Spouse**

Boxes checked on 6a and 6b: 2

c **Dependents:**

(1) First name Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if child under age 17 qualifying for child tax credit
[redacted]	[redacted]	SON	X
		DAUGHTER	X

If more than four dependents, see instructions and check here ▶ ☐

No. of children on 6c who: ● lived with you: 2 ● did not live with you due to divorce or separation (see instructions):

Dependents on 6c not entered above:

d Total number of exemptions claimed — Add numbers on lines above ▶ 4

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

7	Wages, salaries, tips, etc. Attach Form(s) W-2 STMT 3	7	200,789.
8a	Taxable interest. Attach Schedule B if required	8a	75.
b	Tax-exempt interest. Do not include on line 8a 8b		
9a	Ordinary dividends. Attach Schedule B if required	9a	190.
b	Qualified dividends 9b 190.		
10	Taxable refunds, credits, or offsets of state and local income taxes STMT 1 STMT 2	10	241.
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	12	
13	Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ ☐	13	-3,000.
14	Other gains or (losses). Attach Form 4797	14	
15a	IRA distributions 15a b Taxable amount	15b	
16a	Pensions and annuities 16a b Taxable amount	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	1,345.
18	Farm income or (loss). Attach Schedule F	18	
19	Unemployment compensation	19	
20a	Social security benefits 20a b Taxable amount	20b	
21	Other income. List type and amount	21	
22	Combine the amounts in the far right column for lines 7 through 21. This is your **total income** ▶	22	199,640.

Adjusted Gross Income

23	Educator expenses	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	
25	Health savings account deduction. Attach Form 8889	25	
26	Moving expenses. Attach Form 3903	26	
27	Deductible part of self-employment tax. Attach Schedule SE	27	
28	Self-employed SEP, SIMPLE, and qualified plans	28	
29	Self-employed health insurance deduction	29	
30	Penalty on early withdrawal of savings	30	
31a	Alimony paid b Recipient's SSN ▶	31a	
32	IRA deduction	32	
33	Student loan interest deduction	33	
34	Tuition and fees. Attach Form 8917	34	
35	Domestic production activities deduction. Attach Form 8903	35	
36	Add lines 23 through 35	36	
37	Subtract line 36 from line 22. This is your **adjusted gross income** ▶	37	199,640.

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LHA **For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.**

Tax and Credits	38	Amount from line 37 (adjusted gross income)	38	199,640.
	39a	Check if: ☐ You were born before January 2, 1953, ☐ Blind. ☐ Spouse was born before January 2, 1953, ☐ Blind. Total boxes checked ▶ 39a		
	b	If your spouse itemizes on a separate return or you were a dual-status alien, check here ▶ 39b ☐		
Standard Deduction for - ● People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.	40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	44,876.
	41	Subtract line 40 from line 38	41	154,764.
	42	Exemptions. If line 38 is $156,900 or less, multiply $4,050 by the number on line 6d. Otherwise, see inst.	42	16,200.
	43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	138,564.
	44	Tax. Check if any from: a ☐ Form(s) 8814 b ☐ Form 4972 c ☐	44	26,100.
	45	Alternative minimum tax. Attach Form 6251	45	0.
● All others: Single or Married filing separately, $6,350	46	Excess advance premium tax credit repayment. Attach Form 8962	46	
	47	Add lines 44, 45, and 46 ▶	47	26,100.
Married filing jointly or Qualifying widow(er), $12,700	48	Foreign tax credit. Attach Form 1116 if required	48	
	49	Credit for child and dependent care expenses. Attach Form 2441	49	400.
	50	Education credits from Form 8863, line 19	50	
Head of household, $9,350	51	Retirement savings contributions credit. Attach Form 8880	51	
	52	Child tax credit. Attach Schedule 8812, if required	52	
	53	Residential energy credits. Attach Form 5695	53	
	54	Other credits from Form: a ☐ 3800 b ☐ 8801 c ☐	54	
	55	Add lines 48 through 54. These are your total credits	55	400.
	56	Subtract line 55 from line 47. If line 55 is more than line 47, enter -0- ▶	56	25,700.
Other Taxes	57	Self-employment tax. Attach Schedule SE	57	
	58	Unreported social security and Medicare tax from Form: a ☐ 4137 b ☐ 8919	58	
	59	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	59	
	60a	Household employment taxes from Schedule H	60a	
	b	First-time homebuyer credit repayment. Attach Form 5405 if required	60b	
	61	Health care: individual responsibility (see instructions) Full-year coverage [X]	61	
	62	Taxes from: a ☐ Form 8959 b ☐ Form 8960 c ☐ Inst.; enter code(s)	62	
	63	Add lines 56 through 62. This is your total tax ▶	63	25,700.
Payments	64	Federal income tax withheld from Forms W-2 and 1099	64	15,678.
	65	2017 estimated tax payments and amount applied from 2016 return	65	
If you have a qualifying child, attach Schedule EIC.	66a	Earned income credit (EIC)	66a	
	b	Nontaxable combat pay election 66b		
	67	Additional child tax credit. Attach Schedule 8812	67	
	68	American opportunity credit from Form 8863, line 8	68	
	69	Net premium tax credit. Attach Form 8962	69	
	70	Amount paid with request for extension to file	70	11,500.
	71	Excess social security and tier 1 RRTA tax withheld	71	
	72	Credit for federal tax on fuels. Attach Form 4136	72	
	73	Credits from Form: a ☐ 2439 b Reserved c ☐ 8885 d ☐	73	
	74	Add lines 64, 65, 66a, and 67 through 73. These are your total payments ▶	74	27,178.
Refund	75	If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid	75	1,478.
	76a	Amount of line 75 you want refunded to you. If Form 8888 is attached, check here ▶ ☐	76a	1,478.
Direct deposit? See instructions. ▶	b	Routing number [redacted] c Type: [X] Checking ☐ Savings ▶ d Account number [redacted]		
	77	Amount of line 75 you want applied to your 2018 estimated tax ▶	77	
Amount You Owe	78	Amount you owe. Subtract line 74 from line 63. For details on how to pay, see instructions ▶	78	
	79	Estimated tax penalty (see instructions)	79	

Third Party Designee Do you want to allow another person to discuss this return with the IRS (see instructions)? [X] Yes. Complete below. ☐ No

Designee's name ▶ DON K. VONK Phone no. [redacted] Personal identification number (PIN) [redacted]

Sign Here Joint return? See instructions. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature CLIENT'S COPY Date Your occupation MAYOR Daytime phone number

Spouse's signature. If a joint return, both must sign. Date Spouse's occupation EVENT PLANNER If the IRS sent you an Identity Protection PIN, enter it here

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
DON K. VONK		09/28/18		[redacted]

Firm's name ▶ CONSIDINE & CONSIDINE Firm's EIN ▶ [redacted]

Firm's address ▶ [redacted] Phone no. [redacted]

SCHEDULE A (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Itemized Deductions

▶ Go to www.irs.gov/ScheduleA for instructions and the latest information.
▶ Attach to Form 1040.
Caution: If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 28.

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2017

Attachment Sequence No. **07**

Name(s) shown on Form 1040: KEVIN FAULCONER & KATHERINE STUART

Your social security number: [redacted]

Medical and Dental Expenses		**Caution:** Do not include expenses reimbursed or paid by others.			
	1	Medical and dental expenses (see instructions)	1		
	2	Enter amount from Form 1040, line 38 ... 2			
	3	Multiply line 2 by 7.5% (0.075)	3		
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-		4	
Taxes You Paid	5	State and local (**check only one box**): a [X] Income taxes, or b [ ] General sales taxes ... SEE STATEMENT 5	5	12,776.	
	6	Real estate taxes (see instructions)	6	8,950.	
	7	Personal property taxes	7		
	8	Other taxes. List type and amount ▶	8		
	9	Add lines 5 through 8		9	21,726.
Interest You Paid	10	Home mortgage interest and points reported to you on Form 1098	10	19,750.	
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶	11		
Note: Your mortgage interest deduction may be limited (see instructions).	12	Points not reported to you on Form 1098. See instructions for special rules	12		
	13	Mortgage insurance premiums (see instructions)	13		
	14	Investment interest. Attach Form 4952 if required. See instructions	14		
	15	Add lines 10 through 14		15	19,750.
Gifts to Charity	16	Gifts by cash or check. If you made any gift of $250 or more, see instructions	16	950.	
	17	Other than by cash or check. If any gift of $250 or more, see instructions. You **must** attach Form 8283 if over $500	17	2,450.	STMT 6
If you made a gift and got a benefit for it, see instructions.	18	Carryover from prior year	18		
	19	Add lines 16 through 18		19	3,400.
Casualty and Theft Losses	20	Casualty or theft loss(es) other than net qualified disaster losses. Attach Form 4684 and enter the amount from line 18 of that form. See instructions		20	
Job Expenses and Certain Miscellaneous Deductions	21	Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. See instructions. ▶	21		
	22	Tax preparation fees	22		
	23	Other expenses - investment, safe deposit box, etc. List type and amount ▶ INVESTMENT FEES	23		
	24	Add lines 21 through 23	24		
	25	Enter amount from Form 1040, line 38 ... 25			
	26	Multiply line 25 by 2% (0.02)	26		
	27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-		27	
Other Miscellaneous Deductions	28	Other - from list in instructions. List type and amount ▶		28	
Total Itemized Deductions	29	Is Form 1040, line 38, over $156,900? [X] **No.** Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. [ ] **Yes.** Your deduction may be limited. See the Itemized Deductions Worksheet in the instructions to figure the amount to enter.		29	44,876.
	30	If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ [ ]			

LHA 719501 02-22-18 **For Paperwork Reduction Act Notice, see the Instructions for Form 1040.** **Schedule A (Form 1040) 2017**

13170928 757767 FAUL98124638 2017.04000 FAULCONER, KEVIN FAUL9801

SCHEDULE B
(Form 1040A or 1040)

Department of the Treasury
Internal Revenue Service (99)

Interest and Ordinary Dividends

▶ Attach to Form 1040A or 1040.

▶ Go to www.irs.gov/ScheduleB for instructions and the latest information.

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2017

Attachment Sequence No. **08**

Name(s) shown on return: KEVIN FAULCONER & KATHERINE STUART

Your social security number: [redacted]

Part I Interest

Note: If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

		Amount
1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ▶		
NATION STAR	1	35.
SENECA	1	40.
2 Add the amounts on line 1	2	75.
3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815	3	
4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ▶	4	75.

Note: If line 4 is over $1,500, you must complete Part III.

Part II Ordinary Dividends

Note: If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

		Amount
5 List name of payer ▶		
SCHWAB	5	190.
6 Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ▶	6	190.

Note: If line 6 is over $1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

You must complete this part if you **(a)** had over $1,500 of taxable interest or ordinary dividends; **(b)** had a foreign account; or **(c)** received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

	Yes	No
7a At any time during 2017, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions		X
If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements		
b If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ▶		
8 During 2017, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions		X

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LHA **For Paperwork Reduction Act Notice, see your tax return instructions.**

Schedule B (Form 1040A or 1040) 2017

13170928 757767 FAUL98124638 2017.04000 FAULCONER, KEVIN FAUL9801

Interest and Dividend Summary

Name: KEVIN FAULCONER & KATHERINE STUART

FEIN/SSN: [redacted]

Payer	Interest	Interest on U.S. Savings Bonds	Tax-Exempt Interest	Private Activity Interest	Original Issue Discount (OID)	Ordinary Dividends	Qualified Dividends	Capital Gain Distributions	Federal Income Tax Withheld	State Tax Withheld	Foreign Tax Paid
NATION STAR	35.										
SENECA	40.										
SCHWAB						190.	190.	1,797.			
TOTALS	75.					190.	190.	1,797.			

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SCHEDULE D (Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Capital Gains and Losses

▶ Attach to Form 1040 or Form 1040NR.
▶ Go to www.irs.gov/ScheduleD for instructions and the latest information.
▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

OMB No. 1545-0074
2017
Attachment Sequence No. 12

Name(s) shown on return: KEVIN FAULCONER & KATHERINE STUART

Your social security number: [redacted]

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1b Totals for all transactions reported on Form(s) 8949 with **Box A** checked				
2 Totals for all transactions reported on Form(s) 8949 with **Box B** checked				
3 Totals for all transactions reported on Form(s) 8949 with **Box C** checked				

4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824	4	
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	5	
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your **Capital Loss Carryover Worksheet** in the instructions	6	( )
7 **Net short-term capital gain or (loss).** Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on page 2	7	

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

See instructions for how to figure the amounts to enter on the lines below. This form may be easier to complete if you round off cents to whole dollars.	(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8a Totals for all long-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 8b				
8b Totals for all transactions reported on Form(s) 8949 with **Box D** checked	101.	104.		<3.>
9 Totals for all transactions reported on Form(s) 8949 with **Box E** checked		30,838.		<30,838.>
10 Totals for all transactions reported on Form(s) 8949 with **Box F** checked				

11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824	11	
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	12	
13 Capital gain distributions SEE STATEMENT 7	13	1,797.
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your **Capital Loss Carryover Worksheet** in the instructions	14	( )
15 **Net long-term capital gain or (loss).** Combine lines 8a through 14 in column (h). Then go to Part III on page 2	15	<29,044.>

LHA **For Paperwork Reduction Act Notice, see your tax return instructions.**

Schedule D (Form 1040) 2017

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13170928 757767 FAUL98124638 2017.04000 FAULCONER, KEVIN FAUL9801

Part III Summary

16	Combine lines 7 and 15 and enter the result	16	<29,044.>
	• If line 16 is a **gain**, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • If line 16 is a **loss**, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • If line 16 is **zero**, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22.		
17	Are lines 15 and 16 **both** gains? ☐ **Yes.** Go to line 18. ☐ **No.** Skip lines 18 through 21, and go to line 22.		
18	If you are required to complete the **28% Rate Gain Worksheet** (see instructions), enter the amount, if any, from line 7 of that worksheet ▶	18	
19	If you are required to complete the **Unrecaptured Section 1250 Gain Worksheet** (see instructions), enter the amount, if any, from line 18 of that worksheet ▶	19	
20	Are lines 18 and 19 **both** zero or blank? ☒ **Yes.** Complete the **Qualified Dividends and Capital Gain Tax Worksheet** in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). **Don't** complete lines 21 and 22 below. ☐ **No.** Complete the **Schedule D Tax Worksheet** in the instructions. **Don't** complete lines 21 and 22 below.		
21	If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the **smaller** of: • The loss on line 16 or • ($3,000), or if married filing separately, ($1,500) SEE STATEMENT 8 **Note:** When figuring which amount is smaller, treat both amounts as positive numbers.	21	(3,000.)
22	Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? ☒ **Yes.** Complete the **Qualified Dividends and Capital Gain Tax Worksheet** in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). ☐ **No.** Complete the rest of Form 1040 or Form 1040NR.		

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on page 1

KEVIN FAULCONER & KATHERINE STUART

Social security number or taxpayer identification no. [redacted]

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II **Long-Term.** Transactions involving capital assets you held more than 1 year are long term. For short-term transactions, see page 1.
Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

[X] (D) Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)

[ ] (E) Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS

[ ] (F) Long-term transactions not reported to you on Form 1099-B

1 (a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price)	(e) Cost or other basis. See the **Note** below and see *Column (e)* in the instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See instructions. (f) Code(s)	(g) Amount of adjustment	(h) Gain or (loss). Subtract column (e) from column (d) & combine the result with column (g)
SCHWAB			101.	104.			<3.>
2 **Totals.** Add the amounts in columns (d), (e), (g) and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, **line 8b** (if **Box D** above is checked), **line 9** (if **Box E** above is checked), or **line 10** (if **Box F** above is checked) ▶			101.	104.			<3.>

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

Name(s) shown on return. Name and SSN or taxpayer identification no. not required if shown on page 1

KEVIN FAULCONER & KATHERINE STUART

Social security number or taxpayer identification no. [redacted]

Before you check Box D, E, or F below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part II **Long-Term.** Transactions involving capital assets you held more than 1 year are long term. For short-term transactions, see page 1.
Note: You may aggregate all long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 8a; you aren't required to report these transactions on Form 8949 (see instructions).

You must check Box D, E, or F below. Check only one box. If more than one box applies for your long-term transactions, complete a separate Form 8949, page 2, for each applicable box. If you have more long-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- [ ] (D) Long-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- [X] (E) Long-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- [ ] (F) Long-term transactions not reported to you on Form 1099-B

1 (a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price)	(e) Cost or other basis. See the **Note** below and see *Column (e)* in the instructions	Adjustment, if any, to gain or loss. If you enter an amount in column (g), enter a code in column (f). See instructions. (f) Code(s)	(g) Amount of adjustment	(h) Gain or (loss). Subtract column (e) from column (d) & combine the result with column (g)
D+A SEM-ANNUAL MORTGAGE FUND			0.	30,838.			<30,838.>
2 Totals. Add the amounts in columns (d), (e), (g) and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, **line 8b** (if **Box D** above is checked), **line 9** (if **Box E** above is checked), or **line 10** (if **Box F** above is checked) ▶				30,838.			<30,838.>

Note: If you checked Box D above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

Name(s) shown on return. Do not enter name and social security number if shown on page 1.

KEVIN FAULCONER & KATHERINE STUART

Your social security number [redacted]

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note: If you report a loss from an at-risk activity for which any amount is **not** at risk, you **must** check column **(e)** on line 28 and attach **Form 6198**. See instructions.

27 Are you reporting any loss not allowed in a prior year due to the at-risk, excess farm loss, or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No

If you answered "Yes," see instructions before completing this section.

28	(a) Name	(b) Enter P for partnership; S for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
* A	D&A SEMI-ANNUAL MORTGAGE FUND III	P		[redacted]	
B	334 MARSHALL ASSOCIATES	P			
C					
D					

	Passive Income and Loss		Nonpassive Income and Loss		
	(f) Passive loss allowed (attach Form 8582 if required)	(g) Passive income from Schedule K-1	(h) Nonpassive loss from Schedule K-1	(i) Section 179 expense deduction from Form 4562	(j) Nonpassive income from Schedule K-1
A	0.				
B		1,345.			
C					
D					
29a Totals		1,345.			
b Totals					

30	Add columns (g) and (j) of line 29a	30	1,345.
31	Add columns (f), (h), and (i) of line 29b	31	( )
32	**Total partnership and S corporation income or (loss).** Combine lines 30 and 31. Enter the result here and include in the total on line 41 below	32	1,345.

Part III Income or Loss From Estates and Trusts

33	(a) Name	(b) Employer identification number
A		
B		

	Passive Income and Loss		Nonpassive Income and Loss	
	(c) Passive deduction or loss allowed (attach Form 8582 if required)	(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A				
B				
34a Totals				
b Totals				

35	Add columns (d) and (f) of line 34a	35	
36	Add columns (c) and (e) of line 34b	36	( )
37	**Total estate and trust income or (loss).** Combine lines 35 and 36. Enter the result here and include in the total on line 41 below	37	

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder

38 (a) Name	(b) Employer identification number	(c) Excess inclusion from Schedules Q, line 2c (see instructions)	(d) Taxable income (net loss) from Schedules Q, line 1b	(e) Income from Schedules Q, line 3b

39	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below	39	

Part V Summary * ENTIRE DISPOSITION OF PASSIVE ACTIVITY

40	Net farm rental income or (loss) from **Form 4835**. Also, complete line 42 below	40	
41	**Total income or (loss).** Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 ▶	41	1,345.
42	**Reconciliation of farming and fishing income.** Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code V; and Schedule K-1 (Form 1041), box 14, code F (see instructions)	42	
43	**Reconciliation for real estate professionals.** If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	43	

INCOME FROM PASSTHROUGH STATEMENT, PAGE 1

2017

SCHEDULE E

Name KEVIN FAULCONER

SSN/EIN [redacted]

Passthrough D&A SEMI-ANNUAL MORTGAGE FUND III PARTNERSHIP

ID [redacted]

TAXPAYER

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
SCHEDULE E, PAGE 2								
Ordinary business income (loss)								
Rental real estate income (loss)								
Other net rental income (loss)								
Intangible drilling costs/dry hole costs								
Self-charged passive interest expense								
Guaranteed payments								
Section 179 and carryover								
Disallowed section 179 expense								
Excess farm loss								
Net income (loss)								
First passive other								
Second passive other								
Cost depletion								
Percentage depletion								
Depletion carryover								
Disallowed due to 65% limitation								
Unreimbursed expenses (nonpassive)								
Nonpassive other								
Total Schedule E (page 2)								
FORM 4797								
Section 1231 gain (loss)								
Section 179 recapture on disposition								
SCHEDULE D								
Net short-term cap. gain (loss)								
Net long-term cap. gain (loss)								
Section 1256 contracts & straddles								
FORM 4952								
Investment interest expense - Sch. A								
Other net investment income								
ITEMIZED DEDUCTIONS								
Charitable contributions								
Deductions related to portfolio income								
Other								

721551 04-01-17

INCOME FROM PASSTHROUGH STATEMENT, PAGE 2

2017

SCHEDULE E

Name KEVIN FAULCONER

SSN/EIN [redacted]

Passthrough D&A SEMI-ANNUAL MORTGAGE FUND III PARTNERSHIP

ID [redacted]

TAXPAYER

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
INTEREST AND DIVIDENDS								
Interest income								
Interest from U.S. bonds								
Ordinary dividends								
Qualified dividends								
Tax-exempt interest income								
FORM 6251								
Depreciation adjustment after 12/31/86								
Adjusted gain or loss								
Beneficiary's AMT adjustment								
Depletion (other than oil)								
Other								
MISCELLANEOUS								
Self-employment earnings (loss)/Wages								
Gross farming & fishing inc								
Royalties								
Royalty expenses/depletion								
Undistributed capital gains credit								
Backup withholding								
Credit for estimated tax								
Cancellation of debt								
Medical insurance - 1040								
Dependent care benefits								
Retirement plans								
Qualified production activities income								
Passthrough adjustment to Form 1040								
Penalty on early withdrawal of savings								
NOL								
Other taxes/recapture of credits								
Credits								
Casualty and theft loss								

721552 04-01-17

SCHEDULE E

INCOME FROM PASSTHROUGH STATEMENT, PAGE 1

2017

Name KEVIN FAULCONER

SSN/EIN [redacted]

Passthrough 334 MARSHALL ASSOCIATES PARTNERSHIP

ID [redacted]

TAXPAYER

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
SCHEDULE E, PAGE 2								
Ordinary business income (loss)								
Rental real estate income (loss)	1,345.							
Other net rental income (loss)								
Intangible drilling costs/dry hole costs								
Self-charged passive interest expense								
Guaranteed payments								
Section 179 and carryover								
Disallowed section 179 expense								
Excess farm loss								
Net income (loss)	1,345.							1,345.
First passive other								
Second passive other								
Cost depletion								
Percentage depletion								
Depletion carryover								
Disallowed due to 65% limitation								
Unreimbursed expenses (nonpassive)								
Nonpassive other								
Total Schedule E (page 2)	1,345.							1,345.
FORM 4797								
Section 1231 gain (loss)								
Section 179 recapture on disposition								
SCHEDULE D								
Net short-term cap. gain (loss)								
Net long-term cap. gain (loss)								
Section 1256 contracts & straddles								
FORM 4952								
Investment interest expense - Sch. A								
Other net investment income								
ITEMIZED DEDUCTIONS								
Charitable contributions								
Deductions related to portfolio income								
Other								

721551 04-01-17

SCHEDULE E

INCOME FROM PASSTHROUGH STATEMENT, PAGE 2

2017

Name KEVIN FAULCONER

Passthrough 334 MARSHALL ASSOCIATES PARTNERSHIP

ID [redacted]

SSN/EIN [redacted] TAXPAYER

OTHER PASSIVE	K-1 Input	Prior Year Unallowed Basis Loss	Disallowed Due to Basis Limitation	Prior Year Unallowed At-Risk Loss	Disallowed Due to At-Risk	Prior Year Passive Loss	Disallowed Passive Loss	Tax Return
INTEREST AND DIVIDENDS								
Interest income								
Interest from U.S. bonds								
Ordinary dividends								
Qualified dividends								
Tax-exempt interest income								
FORM 6251								
Depreciation adjustment after 12/31/86								
Adjusted gain or loss								
Beneficiary's AMT adjustment								
Depletion (other than oil)								
Other								
MISCELLANEOUS								
Self-employment earnings (loss)/Wages								
Gross farming & fishing inc								
Royalties								
Royalty expenses/depletion								
Undistributed capital gains credit								
Backup withholding								
Credit for estimated tax								
Cancellation of debt								
Medical insurance - 1040								
Dependent care benefits								
Retirement plans								
Qualified production activities income								
Passthrough adjustment to Form 1040								
Penalty on early withdrawal of savings								
NOL								
Other taxes/recapture of credits								
Credits								
Casualty and theft loss								

721552 04-01-17

Form **2441**

Department of the Treasury
Internal Revenue Service (99)

Child and Dependent Care Expenses

▶ Attach to Form 1040, Form 1040A, or Form 1040NR.

▶ Go to www.irs.gov/Form2441 for instructions and the latest information.

OMB No. 1545-0074

2017

Attachment Sequence No. **21**

Name(s) shown on return: KEVIN FAULCONER & KATHERINE STUART

Your social security number: [redacted]

Part I **Persons or Organizations Who Provided the Care** - You **must** complete this part. (If you have more than two care providers, see the instructions.)

1 (a) Care provider's name	(b) Address (number, street, apt. no., city, state, and ZIP code)	(c) Identifying number (SSN or EIN)	(d) Amount paid
PALI ADVENTURE	[redacted]	[redacted]	2,000.

Did you receive dependent care benefits? — No ▶ Complete only Part II below. — Yes ▶ Complete Part III on page 2 next.

Caution: If the care was provided in your home, you may owe employment taxes. If you do, you can't file Form 1040A. For details, see the instructions for Form 1040, line 60a, or Form 1040NR, line 59a.

Part II **Credit for Child and Dependent Care Expenses**

2 Information about your **qualifying person(s).** If you have more than two qualifying persons, see the instructions.

(a) Qualifying person's name First	Last	(b) Qualifying person's social security number	(c) Qualified expenses you incurred and paid in 2017 for the person listed in column (a)
[redacted]	[redacted]	[redacted]	2,000.

3 Add the amounts in column (c) of line 2. **Don't** enter more than $3,000 for one qualifying person or $6,000 for two or more persons. If you completed Part III, enter the amount from line 31	3	2,000.
4 Enter your **earned income.** See instructions	4	70,789.
5 If married filing jointly, enter your spouse's earned income (if you or your spouse was a student or was disabled, see the instructions); **all others,** enter the amount from line 4	5	130,000.
6 Enter the **smallest** of line 3, 4, or 5	6	2,000.
7 Enter the amount from Form 1040, line 38; Form 1040A, line 22; or Form 1040NR, line 37 — 7: 199,640.		
8 Enter on line 8 the decimal amount shown below that applies to the amount on line 7	8	x .20
9 Multiply line 6 by the decimal amount on line 8. If you paid 2016 expenses in 2017, see the instructions	9	400.
10 Tax liability limit. Enter the amount from the Credit Limit Worksheet in the instructions — STATEMENT 9 — 10: 26,100.		
11 **Credit for child and dependent care expenses.** Enter the **smaller** of line 9 or line 10 here and on Form 1040, line 49; Form 1040A, line 31; or Form 1040NR, line 47	11	400.

If line 7 is: Over	But not over	Decimal amount is	If line 7 is: Over	But not over	Decimal amount is
$0	15,000	.35	$29,000	31,000	.27
15,000	17,000	.34	31,000	33,000	.26
17,000	19,000	.33	33,000	35,000	.25
19,000	21,000	.32	35,000	37,000	.24
21,000	23,000	.31	37,000	39,000	.23
23,000	25,000	.30	39,000	41,000	.22
25,000	27,000	.29	41,000	43,000	.21
27,000	29,000	.28	43,000	No limit	.20

LHA **For Paperwork Reduction Act Notice, see your tax return instructions.**

Form **2441** (2017)

713761 11-29-17

13170928 757767 FAUL98124638 2017.04000 FAULCONER, KEVIN FAUL9801

Part III Dependent Care Benefits

12	Enter the total amount of **dependent care benefits** you received in 2017. Amounts you received as an employee should be shown in box 10 of your Form(s) W-2. **Don't** include amounts reported as wages in box 1 of Form(s) W-2. If you were self-employed or a partner, include amounts you received under a dependent care assistance program from your sole proprietorship or partnership		12	
13	Enter the amount, if any, you carried over from 2016 and used in 2017 during the grace period. See instructions		13	
14	Enter the amount, if any, you forfeited or carried forward to 2018. See instructions		14	( )
15	Combine lines 12 through 14. See instructions		15	
16	Enter the total amount of **qualified expenses** incurred in 2017 for the care of the **qualifying person(s)**	16		
17	Enter the **smaller** of line 15 or 16	17		
18	Enter your **earned income.** See instructions	18		
19	Enter the amount shown below that applies to you. • If married filing jointly, enter your spouse's earned income (if you or your spouse was a student or was disabled, see the instructions for line 5). • If married filing separately, see instructions. • All others, enter the amount from line 18.	19		
20	Enter the **smallest** of line 17, 18, or 19	20		
21	Enter $5,000 ($2,500 if married filing separately **and** you were required to enter your spouse's earned income on line 19)	21		
22	Is any amount on line 12 from your sole proprietorship or partnership? (Form 1040A filers go to line 25.) ☐ **No.** Enter -0-. ☐ **Yes.** Enter the amount here		22	
23	Subtract line 22 from line 15	23		
24	**Deductible benefits.** Enter the **smallest** of line 20, 21, or 22. Also, include this amount on the appropriate line(s) of your return. See instructions		24	
25	**Excluded benefits. Form 1040 and 1040NR filers:** If you checked "No" on line 22, enter the smaller of line 20 or 21. Otherwise, subtract line 24 from the smaller of line 20 or line 21. If zero or less, enter -0-. **Form 1040A filers:** Enter the **smaller** of line 20 or line 21		25	
26	**Taxable benefits. Form 1040 and 1040NR filers:** Subtract line 25 from line 23. If zero or less, enter -0-. Also, include this amount on Form 1040, line 7, or Form 1040NR, line 8. On the dotted line next to Form 1040, line 7, or Form 1040NR, line 8, enter "DCB." **Form 1040A filers:** Subtract line 25 from line 15. Also, include this amount on Form 1040A, line 7. In the space to the left of line 7, enter "DCB"		26	

To claim the child and dependent care credit, complete lines 27 through 31 below.

27	Enter $3,000 ($6,000 if two or more qualifying persons)	27	
28	**Form 1040 and 1040NR filers:** Add lines 24 and 25. **Form 1040A filers:** Enter the amount from line 25	28	
29	Subtract line 28 from line 27. If zero or less, **stop.** You can't take the credit. **Exception.** If you paid 2016 expenses in 2017, see the instructions for line 9	29	
30	Complete line 2 on page 1 of this form. **Don't** include in column (c) any benefits shown on line 28 above. Then, add the amounts in column (c) and enter the total here	30	
31	Enter the **smaller** of line 29 or 30. Also, enter this amount on line 3 on page 1 of this form and complete lines 4 through 11	31	

(DOES NOT APPLY)

Form **6251**

Department of the Treasury
Internal Revenue Service (99)

Alternative Minimum Tax - Individuals

▶ Go to www.irs.gov/Form6251 for instructions and the latest information.
▶ Attach to Form 1040 or Form 1040NR.

OMB No. 1545-0074
2017
Attachment Sequence No. **32**

Name(s) shown on Form 1040 or Form 1040NR: KEVIN FAULCONER & KATHERINE STUART

Your social security number: [redacted]

Part I Alternative Minimum Taxable Income

1 If filing Schedule A (Form 1040), enter the amount from Form 1040, line 41, and go to line 2. Otherwise, enter the amount from Form 1040, line 38, and go to line 7. (If less than zero, enter as a negative amount.)	1	154,764.
2 Reserved for future use	2	
3 Taxes from Schedule A (Form 1040), line 9	3	21,726.
4 Enter the home mortgage interest adjustment, if any, from line 6 of the worksheet in the instructions for this line	4	
5 Miscellaneous deductions from Schedule A (Form 1040), line 27	5	
6 If Form 1040, line 38, is $156,900 or less, enter -0-. Otherwise, see instructions	6	0.
7 Tax refund from Form 1040, line 10 or line 21	7	-241.
8 Investment interest expense (difference between regular tax and AMT)	8	
9 Depletion (difference between regular tax and AMT)	9	
10 Net operating loss deduction from Form 1040, line 21. Enter as a positive amount	10	
11 Alternative tax net operating loss deduction	11	
12 Interest from specified private activity bonds exempt from the regular tax	12	
13 Qualified small business stock, see instructions	13	
14 Exercise of incentive stock options (excess of AMT income over regular tax income)	14	
15 Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	15	
16 Electing large partnerships (amount from Schedule K-1 (Form 1065-B), box 6)	16	
17 Disposition of property (difference between AMT and regular tax gain or loss)	17	
18 Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	18	
19 Passive activities (difference between AMT and regular tax income or loss) SEE STATEMENT 10	19	0.
20 Loss limitations (difference between AMT and regular tax income or loss)	20	
21 Circulation costs (difference between regular tax and AMT)	21	
22 Long-term contracts (difference between AMT and regular tax income)	22	
23 Mining costs (difference between regular tax and AMT)	23	
24 Research and experimental costs (difference between regular tax and AMT)	24	
25 Income from certain installment sales before January 1, 1987	25	
26 Intangible drilling costs preference	26	
27 Other adjustments, including income-based related adjustments	27	
28 **Alternative minimum taxable income.** Combine lines 1 through 27. (If married filing separately and line 28 is more than $249,450, see instructions.)	28	176,249.

Part II Alternative Minimum Tax (AMT)

29 Exemption. (If you were under age 24 at the end of 2017, see instructions.)

IF your filing status is...	AND line 28 is not over...	THEN enter on line 29...
Single or head of household	$120,700	$54,300
Married filing jointly or qualifying widow(er)	160,900	84,500
Married filing separately	80,450	42,250 STMT 11

If line 28 is **over** the amount shown above for your filing status, see instructions.

29	29	80,663.
30 Subtract line 29 from line 28. If more than zero, go to line 31. If zero or less, enter -0- here and on lines 31, 33, and 35, and go to line 34	30	95,586.
31 • If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter. • If you reported capital gain distributions directly on Form 1040, line 13; you reported qualified dividends on Form 1040, line 9b; **or** you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on page 2 and enter the amount from line 64 here. • **All others:** If line 30 is $187,800 or less ($93,900 or less if married filing separately), multiply line 30 by 26% (0.26). Otherwise, multiply line 30 by 28% (0.28) and subtract $3,756 ($1,878 if married filing separately) from the result.	31	24,832.
32 Alternative minimum tax foreign tax credit (see instructions)	32	
33 Tentative minimum tax. Subtract line 32 from line 31	33	24,832.
34 Add Form 1040, line 44 (minus any tax from Form 4972), and Form 1040, line 46. Subtract from the result any foreign tax credit from Form 1040, line 48. If you used Sch J to figure your tax on Form 1040, line 44, refigure that tax without using Schedule J before completing this line (see instructions)	34	26,100.
35 **AMT.** Subtract line 34 from line 33. If zero or less, enter -0-. Enter here and on Form 1040, line 45	35	0.

719461 01-11-18 LHA **For Paperwork Reduction Act Notice, see your tax return instructions.** Form **6251** (2017)

13170928 757767 FAUL98124638 2017.04000 FAULCONER, KEVIN FAUL9801

Part III Tax Computation Using Maximum Capital Gains Rates

Complete Part III only if you are required to do so by line 31 or by the Foreign Earned Income Tax Worksheet in the instructions.

36 Enter the amount from Form 6251, line 30. If you are filing Form 2555 or 2555-EZ, enter the amount from line 3 of the worksheet in the instructions for line 31	36	95,586.
37 Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 13 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	37	190.
38 Enter the amount from Schedule D (Form 1040), line 19 (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	38	
39 If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 37. Otherwise, add lines 37 and 38, and enter the **smaller** of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	39	190.
40 Enter the **smaller** of line 36 or line 39	40	190.
41 Subtract line 40 from line 36	41	95,396.
42 If line 41 is $187,800 or less ($93,900 or less if married filing separately), multiply line 41 by 26% (0.26). Otherwise, multiply line 41 by 28% (0.28) and subtract $3,756 ($1,878 if married filing separately) from the result ▶	42	24,803.
43 Enter: • $75,900 if married filing jointly or qualifying widow(er), • $37,950 if single or married filing separately, or • $50,800 if head of household.	43	75,900.
44 Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 14 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040, line 43; if zero or less, enter -0-. If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	44	138,374.
45 Subtract line 44 from line 43. If zero or less, enter -0-	45	0.
46 Enter the **smaller** of line 36 or line 37	46	190.
47 Enter the **smaller** of line 45 or line 46. This amount is taxed at 0%	47	0.
48 Subtract line 47 from line 46	48	190.
49 Enter: • $418,400 if single • $235,350 if married filing separately • $470,700 if married filing jointly or qualifying widow(er) • $444,550 if head of household	49	470,700.
50 Enter the amount from line 45	50	0.
51 Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44, or the amount from line 19 of the Schedule D Tax Worksheet, whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040, line 43; if zero or less, enter -0-. If you are filing Form 2555 or Form 2555-EZ, see instructions for the amount to enter	51	138,374.
52 Add line 50 and line 51	52	138,374.
53 Subtract line 52 from line 49. If zero or less, enter -0-	53	332,326.
54 Enter the smaller of line 48 or line 53	54	190.
55 Multiply line 54 by 15% (0.15) ▶	55	29.
56 Add lines 47 and 54	56	190.
If lines 56 and 36 are the same, skip lines 57 through 61 and go to line 62. Otherwise, go to line 57.		
57 Subtract line 56 from line 46	57	0.
58 Multiply line 57 by 20% (0.20) ▶	58	
If line 38 is zero or blank, skip lines 59 through 61 and go to line 62. Otherwise, go to line 59.		
59 Add lines 41, 56, and 57	59	
60 Subtract line 59 from line 36	60	
61 Multiply line 60 by 25% (0.25) ▶	61	
62 Add lines 42, 55, 58, and 61	62	24,832.
63 If line 36 is $187,800 or less ($93,900 or less if married filing separately), multiply line 36 by 26% (0.26). Otherwise, multiply line 36 by 28% (0.28) and subtract $3,756 ($1,878 if married filing separately) from the result	63	24,852.
64 Enter the **smaller** of line 62 or line 63 here and on line 31. If you are filing Form 2555 or 2555-EZ, do not enter this amount on line 31. Instead, enter it on line 4 of the worksheet in the instructions for line 31	64	24,832.

ALTERNATIVE MINIMUM TAX RECONCILIATION REPORT

Name(s)

KEVIN FAULCONER & KATHERINE STUART

Social Security Number

[redacted]

Form Name	Description	Income	Adjustment				
			Form 6251, Line 17	Form 6251, Line 18	Form 6251, Line 19	Form 6251, Line 20	Form 6251 Other Adjustment
K1-	334 MARSHALL ASSOCIATES						
	* REGULAR INCOME	1,345.					
	* AMT NET INCOME	1,345.					

719911
04-01-17

Form **8582**

Department of the Treasury
Internal Revenue Service (99)

Passive Activity Loss Limitations

▶ See separate instructions.
▶ Attach to Form 1040 or Form 1041.
▶ Go to www.irs.gov/Form8582 for instructions and the latest information.

OMB No. 1545-1008

2017

Attachment Sequence No. **88**

Name(s) shown on return: KEVIN FAULCONER & KATHERINE STUART

Identifying number: [redacted]

Part I 2017 Passive Activity Loss

Caution: Complete Worksheets 1, 2, and 3 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see **Special Allowance for Rental Real Estate Activities** in the instructions.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))	1a		
b	Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	( )	
c	Prior years' unallowed losses (enter the amount from Worksheet 1, column (c))	1c	( )	
d	Combine lines 1a, 1b, and 1c			1d

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)	2a	( )	
b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b	( )	
c	Add lines 2a and 2b			2c ( )

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))	3a	1,345.	
b	Activities with net loss (enter the amount from Worksheet 3, column (b))	3b	( )	
c	Prior years' unallowed losses (enter the amount from Worksheet 3, column (c))	3c	( )	
d	Combine lines 3a, 3b, and 3c			3d 1,345.

4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used ..... 4 1,345.

If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See instructions for an example.

5	Enter the **smaller** of the loss on line 1d or the loss on line 4			5
6	Enter $150,000. If married filing separately, see instructions	6		
7	Enter modified adjusted gross income, but not less than zero (see instructions)	7		
	Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.			
8	Subtract line 7 from line 6	8		
9	Multiply line 8 by 50% (0.50). **Do not** enter more than $25,000. If married filing separately, see instructions			9
10	Enter the **smaller** of line 5 or line 9			10

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

11	Enter $25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11
12	Enter the loss from line 4	12
13	Reduce line 12 by the amount on line 10	13
14	Enter the **smallest** of line 2c (treated as a positive amount), line 11, or line 13	14

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total	15
16	**Total losses allowed from all passive activities for 2017.** Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return	16

LHA 719761 10-13-17 **For Paperwork Reduction Act Notice, see instructions.** Form **8582** (2017)

Caution: The worksheets must be filled with your tax return. Keep a copy for your records.

Worksheet 1 - For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 1a, 1b, and 1c ▶					

Worksheet 2 - For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b ▶			

Worksheet 3 - For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
	SEE ATTACHED STATEMENT FOR WORKSHEET 3				
Total. Enter on Form 8582, lines 3a, 3b, and 3c ▶	1,345.				

Worksheet 4 - Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total ▶					

Worksheet 5 - Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
Total ▶				

Form **8283**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Noncash Charitable Contributions

▶ Attach to your tax return if you claimed a total deduction of over $500 for all contributed property.
▶ Information about Form 8283 and its separate instructions is at *www.irs.gov/form8283.*

OMB No. 1545-0908
Attachment Sequence No. **155**

Name(s) shown on your income tax return: KEVIN FAULCONER & KATHERINE STUART

Identifying number: [redacted]

Note. Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

Section A. Donated Property of $5,000 or Less and Publicly Traded Securities - List in this section only items (or groups of similar items) for which you claimed a deduction of $5,000 or less. Also list publicly traded securities even if the deduction is more than $5,000 (see instructions).

Part I **Information on Donated Property** - If you need more space, attach a statement.

1	(a) Name and address of the donee organization	(b) If donated property is a vehicle, check the box. Also enter the vehicle identification number (unless Form 1098-C is attached)	(c) Description of donated property (For a vehicle, enter the year, make, model, and mileage. For securities, enter the company name and the number of shares.)
A	GOODWILL - VARIOUS TRIPS 939 16TH, SAN DIEGO, CA 92101	☐	CLOTHES, HOUSEHOLD ITEMS
B		☐	
C		☐	
D		☐	
E		☐	

Note. If the amount you claimed as a deduction for an item is $500 or less, you do not have to complete columns (e), (f), and (g).

	(d) Date of the contribution	(e) Date acquired by donor (mo., yr.)	(f) How acquired by donor	(g) Donor's cost or adjusted basis	(h) Fair market value (see instructions)	(i) Method used to determine the fair market value
A	09/01/17	VAR.	PURCHASE	9,000.	2,450.	THRIFT SHOP VALUE
B						
C						
D						
E						

Part II **Partial Interests and Restricted Use Property** - Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).

2 a Enter the letter from Part I that identifies the property for which you gave less than an entire interest ▶ _____
If Part II applies to more than one property, attach a separate statement.

b Total amount claimed as a deduction for the property listed in Part I: (1) For this tax year ▶ _____
(2) For any prior tax years ▶ _____

c Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):
Name of charitable organization (donee)

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

d For tangible property, enter the place where the property is located or kept ▶ _____

e Name of any person, other than the donee organization, having actual possession of the property ▶ _____

		Yes	No
3 a	Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property?		
b	Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire?		
c	Is there a restriction limiting the donated property for a particular use?		

LHA **For Paperwork Reduction Act Notice, see separate instructions.**

Form **8283** (Rev. 12-2014)

719931 04-01-17

13170928 757767 FAUL98124638 2017.04000 FAULCONER, KEVIN FAUL9801

Section 1.263(a)-1(f) De Minimis Safe Harbor Election

Kevin Faulconer & Katherine Stuart
[redacted]

Taxpayer Identification Number: [redacted]

For the Year Ending December 31, 2017

KEVIN FAULCONER & KATHERINE STUART are making the de minimis safe harbor election under Reg. Sec. 1.263(a)-1(f).

FORM 1040 STATE AND LOCAL INCOME TAX REFUNDS STATEMENT 1

	2016	2015	2014
	CALIFORNIA		
GROSS STATE/LOCAL INC TAX REFUNDS	241.		
LESS: TAX PAID IN FOLLOWING YEAR			
NET TAX REFUNDS CALIFORNIA	241.		
TOTAL NET TAX REFUNDS	241.		

FORM 1040 TAXABLE STATE AND LOCAL INCOME TAX REFUNDS STATEMENT 2

	2016	2015	2014
NET TAX REFUNDS FROM STATE AND LOCAL INCOME TAX REFUNDS STMT.	241.		
LESS:REFUNDS-NO BENEFIT DUE TO AMT -SALES TAX BENEFIT REDUCTION			
1 NET REFUNDS FOR RECALCULATION	241.		
2 TOTAL ITEMIZED DEDUCTIONS BEFORE PHASEOUT	37,941.		
3 DEDUCTION NOT SUBJ TO PHASEOUT			
4 NET REFUNDS FROM LINE 1	241.		
5 LINE 2 MINUS LINES 3 AND 4	37,700.		
6 MULT LN 5 BY APPL SEC. 68 PCT	30,160.		
7 PRIOR YEAR AGI	142,609.		
8 ITEM. DED. PHASEOUT THRESHOLD	311,300.		
9 SUBTRACT LINE 8 FROM LINE 7 (IF ZERO OR LESS, SKIP LINES 10 THROUGH 15, AND ENTER AMOUNT FROM LINE 1 ON LINE 16)	-168,691.		
10 MULT LN 9 BY APPL SEC. 68 PCT			
11 ALLOWABLE ITEMIZED DEDUCTIONS (LINE 5 LESS THE LESSER OF LINE 6 OR LINE 10)			
12 ITEM DED. NOT SUBJ TO PHASEOUT			
13A TOTAL ADJ. ITEMIZED DEDUCTIONS			
13B PRIOR YR. STD. DED. AVAILABLE			
14 PRIOR YR. ALLOWABLE ITEM. DED.			
15 SUBTRACT THE GREATER OF LINE 13A OR LINE 13B FROM LINE 14			
16 TAXABLE REFUNDS (LESSER OF LINE 15 OR LINE 1)	241.		
17 ALLOWABLE PRIOR YR. ITEM. DED.	37,941.		
18 PRIOR YEAR STD. DED. AVAILABLE	12,600.		
19 SUBTRACT LINE 18 FROM LINE 17	25,341.		
20 LESSER OF LINE 16 OR LINE 19	241.		
21 PRIOR YEAR TAXABLE INCOME	88,468.		
22 AMOUNT TO INCLUDE ON FORM 1040, LINE 10 * IF LINE 21 IS -0- OR MORE, USE AMOUNT FROM LINE 20 * IF LINE 21 IS A NEGATIVE AMOUNT, NET LINES 20 AND 21			241.
STATE AND LOCAL INCOME TAX REFUNDS PRIOR TO 2014			
TOTAL TO FORM 1040, LINE 10			241.

FORM 1040 WAGES RECEIVED AND TAXES WITHHELD STATEMENT 3

T S	EMPLOYER'S NAME	AMOUNT PAID	FEDERAL TAX WITHHELD	STATE TAX WITHHELD	CITY SDI TAX W/H	FICA TAX	MEDICARE TAX
S	RESTAURANTS EVENTS INC.	130,000.	6,771.	9,447.	998.	7,886.	1,885.
T	CITY OF SAN DIEGO	70,789.	8,907.	2,331.			1,416.
	TOTALS	200,789.	15,678.	11,778.	998.	7,886.	3,301.

FORM 1040 QUALIFIED DIVIDENDS STATEMENT 4

NAME OF PAYER	ORDINARY DIVIDENDS	QUALIFIED DIVIDENDS
SCHWAB	190.	190.
TOTAL INCLUDED IN FORM 1040, LINE 9B		190.

SCHEDULE A STATE AND LOCAL INCOME TAXES STATEMENT 5

DESCRIPTION	AMOUNT
RESTAURANTS EVENTS INC.	9,447.
STATE DISABILITY INSURANCE - RESTAURANTS EVENTS INC.	998.
CITY OF SAN DIEGO	2,331.
TOTAL TO SCHEDULE A, LINE 5	12,776.

SCHEDULE A — CASH CONTRIBUTIONS — STATEMENT 6

DESCRIPTION	AMOUNT 100% LIMIT	AMOUNT 50% LIMIT	AMOUNT 30% LIMIT
PLHS		650.	
GIRL SCOUTS		150.	
POLICE FOUNDATION		150.	
SUBTOTALS		950.	
TOTAL TO SCHEDULE A, LINE 16			950.

SCHEDULE D — CAPITAL GAIN DISTRIBUTIONS — STATEMENT 7

NAME OF PAYER	TOTAL CAPITAL GAIN	28% GAIN
SCHWAB	1,797.	
TOTALS TO SCHEDULE D, LINE 13	1,797.	

SCHEDULE D CAPITAL LOSS CARRYOVER STATEMENT 8

1.	ENTER THE AMOUNT FROM FORM 1040, LINE 41		154,764.
2.	ENTER THE LOSS FROM SCHEDULE D, LINE 21, AS A POSITIVE AMOUNT		3,000.
3.	COMBINE LINES 1 AND 2. IF ZERO OR LESS, ENTER -0-		157,764.
4.	ENTER THE SMALLER OF LINE 2 OR LINE 3		3,000.
5.	ENTER THE LOSS FROM SCHEDULE D, LINE 7, AS A POSITIVE AMOUNT		
6.	ENTER THE GAIN, IF ANY, FROM SCHEDULE D, LINE 15		
7.	ADD LINES 4 AND 6		
8.	SHORT-TERM CAPITAL LOSS CARRYOVER TO NEXT YEAR. SUBTRACT LINE 7 FROM LINE 5. IF ZERO OR LESS, ENTER -0-		
9.	ENTER THE LOSS FROM SCHEDULE D, LINE 15, AS A POSITIVE AMOUNT		29,044.
10.	ENTER THE GAIN, IF ANY, FROM SCHEDULE D, LINE 7		
11.	SUBTRACT LINE 5 FROM LINE 4. IF ZERO OR LESS, ENTER -0-	3,000.	
12.	ADD LINES 10 AND 11		3,000.
13.	LONG-TERM CAPITAL LOSS CARRYOVER TO NEXT YEAR. SUBTRACT LINE 12 FROM LINE 9. IF ZERO OR LESS, ENTER -0-		26,044.

FORM 2441 CREDIT LIMIT WORKSHEET STATEMENT 9

1	ENTER THE AMOUNT FROM FORM 1040, LINE 47; FORM 1040A, LINE 30; OR FORM 1040NR, LINE 45	26,100.
2	ENTER THE AMOUNT FROM FORM 1040, LINE 48, OR FORM 1040NR, LINE 46; FORM 1040A FILERS, ENTER -0-	
3	SUBTRACT LINE 2 FROM LINE 1. ALSO ENTER THE AMOUNT ON FORM 2441, LINE 10. BUT IF ZERO OR LESS, STOP; YOU CANNOT TAKE THE CREDIT	26,100.

FORM 6251 PASSIVE ACTIVITIES STATEMENT 10

		NET INCOME (LOSS)		
NAME OF ACTIVITY	FORM	AMT	REGULAR	ADJUSTMENT
334 MARSHALL ASSOCIATES	SCH E	1,345.	1,345.	
TOTAL TO FORM 6251, LINE 19				

FORM 6251 EXEMPTION WORKSHEET STATEMENT 11

1	ENTER: $54,300 IF SINGLE OR HEAD OF HOUSEHOLD; $84,500 IF MARRIED FILING JOINTLY OR QUALIFYING WIDOW(ER); $42,250 IF MARRIED FILING SEPARATELY		84,500.
2	ENTER YOUR ALTERNATIVE MINIMUM TAXABLE INCOME (AMTI) FORM 6251, LINE 28	176,249.	
3	ENTER: $120,700 IF SINGLE OR HEAD OF HOUSEHOLD; $160,900 IF MARRIED FILING JOINTLY OR QUALIFYING WIDOW(ER); $80,450 IF MARRIED FILING SEPARATELY	160,900.	
4	SUBTRACT LINE 3 FROM LINE 2. IF ZERO OR LESS ENTER -0-	15,349.	
5	MULTIPLY LINE 4 BY 25% (.25)		3,837.
6	SUBTRACT LINE 5 FROM LINE 1. IF ZERO OR LESS, ENTER -0-. IF ANY OF THE THREE CONDITIONS UNDER CERTAIN CHILDREN UNDER AGE 24 APPLY TO YOU, COMPLETE LINES 7 THROUGH 10. OTHERWISE, STOP HERE AND ENTER THIS AMOUNT ON FORM 6251, LINE 29, AND GO TO FORM 6251, LINE 30		80,663.
7	MINIMUM EXEMPTION AMOUNT FOR CERTAIN CHILDREN UNDER AGE 24		
8	ENTER YOUR EARNED INCOME, IF ANY		
9	ADD LINES 7 AND 8		
10	ENTER THE SMALLER OF LINE 6 OR LINE 9 HERE AND ON FORM 6251, LINE 29, AND GO TO FORM 6251, LINE 30		

FORM 8582 OTHER PASSIVE ACTIVITIES - WORKSHEET 3 STATEMENT 12

NAME OF ACTIVITY	CURRENT YEAR NET INCOME	CURRENT YEAR NET LOSS	PRIOR YEAR UNALLOWED LOSS	OVERALL GAIN OR LOSS GAIN	OVERALL GAIN OR LOSS LOSS
334 MARSHALL ASSOCIATES	1,345.	0.		1,345.	
TOTALS	1,345.	0.		1,345.	

FORM 8582 SUMMARY OF PASSIVE ACTIVITIES STATEMENT 13

R R E A - NAME	FORM OR SCHEDULE	GAIN/LOSS	PRIOR YEAR C/O	NET GAIN/LOSS	UNALLOWED LOSS	ALLOWED LOSS
334 MARSHALL ASSOCIATES	SCH E	1,345.		1,345.		
TOTALS		1,345.		1,345.		

PRIOR YEAR CARRYOVERS ALLOWED DUE TO CURRENT YEAR NET ACTIVITY INCOME

TOTAL